

#### **Funding Structure**

Tax on Cigarettes/ Tobacco Products RTC §30131.2 Tax Deposited in
Board of Equalization (BOE)
Accounts
(Funds 86 and 230)

BOE Transfers Funds to California Children and Families Trust Fund (Fund 0623) HSC §130105 BOE Calculates Adjustments HSC §130105

Total Tax = 87¢

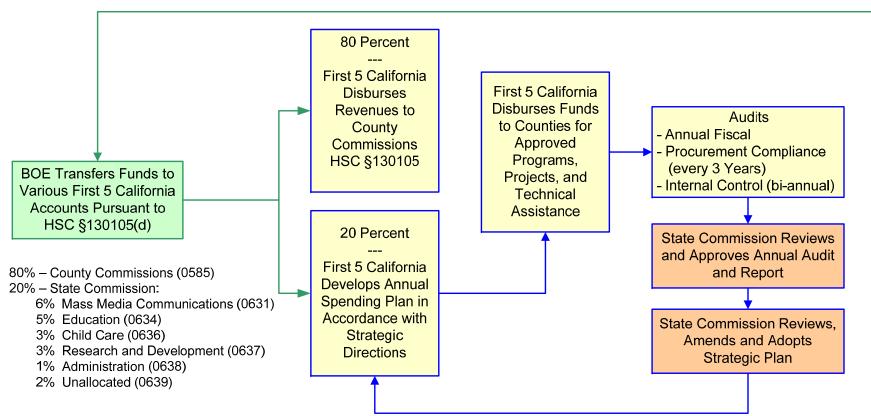
2¢ = Breast Cancer

10¢ = Cigarette Tax Fund

25¢ = Cigarette Tax Products and Surtax

50¢ = First 5 California

Tax Collection/Enforcement and Administration Refunds (Retailer Overpayments) Accrual vs. Actual Backfill (Prop 99/Breast Cancer) Returned Checks (Retailer)





## **Board of Equalization Adjustments**

Board of Equalization (BOE) adjustments to total Proposition 10 tax revenues collected are deducted before any disbursement to First 5 California accounts. The two primary deductions include BOE tax collection, enforcement and administrative costs and Proposition 99 backfill amounts. A summary of these costs over the past decade is listed below:

ROF	Administration

#### FY 98-99 \$570,000 FY 99-00 \$876,000 \$886,000 FY 00-01 FY 01-02 \$959,416 \$1,974,530 FY 02-03 FY 03-04 \$2,301,371 FY 04-05 \$4,642,000 FY 05-06 \$4,958,000 FY 06-07 \$7,388,000 FY 07-08 \$11,162,000

FY 08-09 \$11,721,382

FY 09-10 \$12,693,653

\$14,229,862

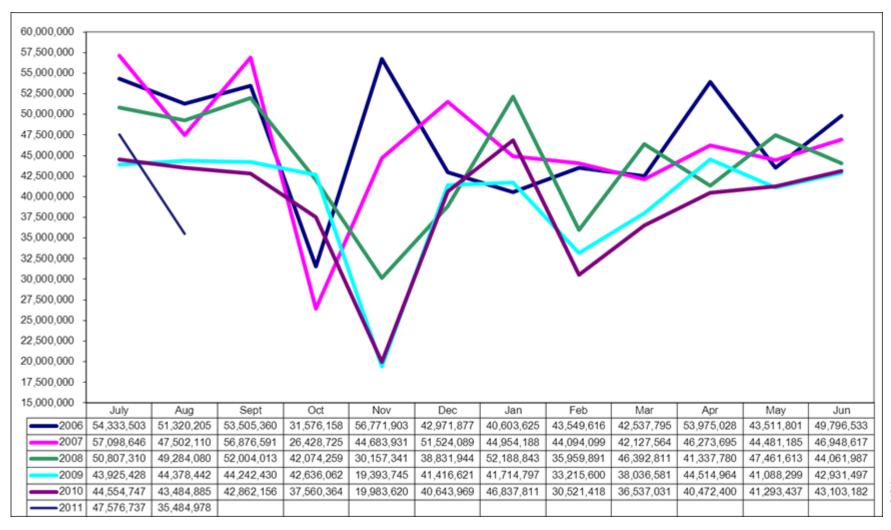
FY 10-11

#### Backfill

FY 00-01	\$24,000,000
FY 01-02	\$25,900,000
FY 02-03	\$35,500,000
FY 03-04	\$21,700,000
FY 04-05	\$21,300,000
FY 05-06	\$20,300,000
FY 06-07	\$18,500,000
FY 07-08	\$19,600,000
FY 08-09	\$21,200,000
FY 09-10	\$21,800,000
FY 10-11	\$20,200,000

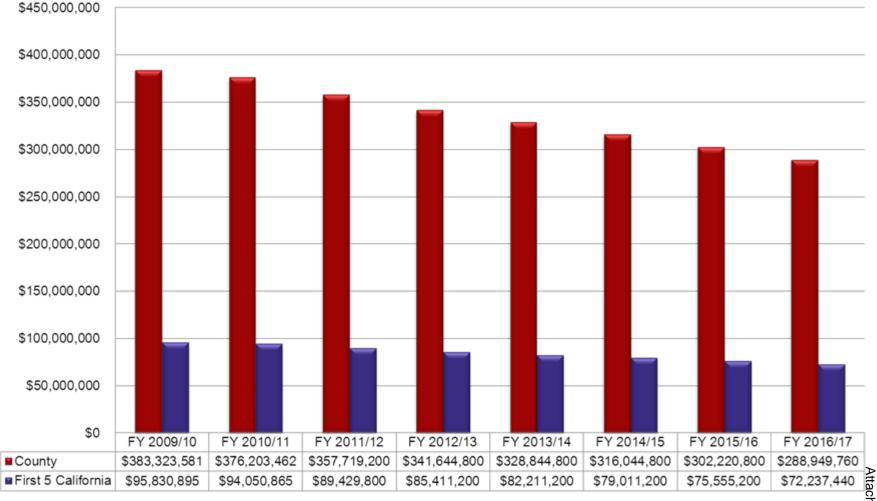


### First 5 California Trust Fund History





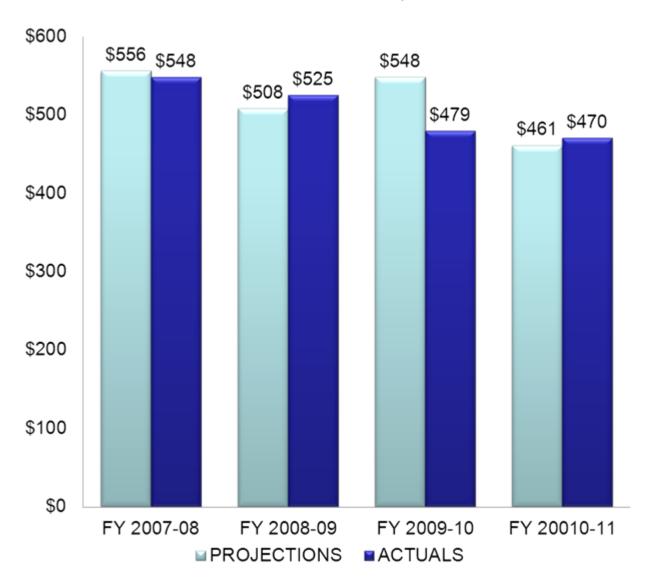
# Actual and Projected Revenue by Fiscal Year





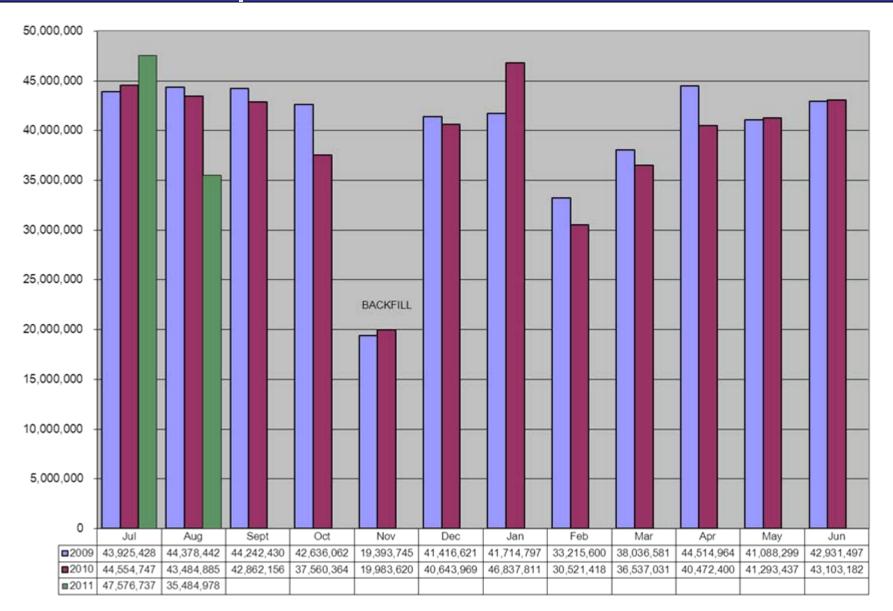
## Comparison of Prop. 10 Revenue Projections and Actual Revenue Received

Model projections based on funds available for transfer, including reductions for backfill and BOE Administration





# Revenue Comparison by Month





# Fiscal Year 2011-12 Projected First 5 California Revenues by Account

- Includes the Department of Finance projected tax revenue disbursements to First 5 California (20 percent)
- First 5 California disbursements distributed according to statute

Account Type	Statutory Distribution	% to Total Conversion	Projected Revenue (Excluding Interest)
Media	6%	30%	\$ 26,828,940
Education	5%	25%	\$ 22,357,450
Child Care	3%	15%	\$ 13,414,470
Research	3%	15%	\$ 13,414,470
Unallocated	2%	10%	\$ 8,942,980
Administration	1%	5%	\$ 4,471,490
	20%	100%	\$ 89,429,800